

**MINUTES OF THE  
WORKFORCE SERVICES AND COMMUNITY  
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**

Wednesday, June 17, 2009 – 2:00 p.m. – Room 450 State Capitol

**Members Present:**

Sen. Mark B. Madsen, Senate Chair  
Rep. Steven R. Mascaró, House Chair  
Sen. Patricia W. Jones  
Sen. Ralph Okerlund  
Sen. Luz Robles  
Rep. Laura Black  
Rep. Neil A. Hansen  
Rep. Christopher N. Herrod  
Rep. Kenneth W. Sumsion  
Rep. Christine F. Watkins

**Members Absent:**

Sen. Daniel R. Liljenquist  
Rep. James A. Dunnigan  
Rep. Paul Ray

**Staff Present:**

Mr. Arthur L. Hunsaker, Policy Analyst  
Mr. James L. Wilson, Associate General Counsel  
Ms. Glenda S. Whitney, Legislative Secretary

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Committee Business**

Chair Mascaró called the meeting to order at 2:02 p.m.

**MOTION:** Rep. Black moved to approve the minutes of the May 20, 2009 meeting. The motion passed unanimously.

**2. New Eligibility Services Division and eREP (Electronic Resource and Eligibility Product)  
Computer System Update**

Ms. Kristen Cox, Executive Director, Department of Workforce Services (DWS), distributed a handout "The Eligibility Services Division" and reviewed the eligibility process for patrons to receive services. She noted that DWS has launched one of the largest organizational restructuring efforts in DWS's 12-year history involving over 50 percent of DWS's 2,000 employees.

Mr. Jon Pierpont, Director, Eligibility Services Division, gave an overview on the new eligibility services division that he has been appointed to direct. He noted that his management team is taking steps to outline new processes and procedures, minimize service disruptions, and ensure a smooth transition to the new organizational structure. He discussed how the new division will impact customers, discussed its quality assurance process, and explained the plans for implementation.

Mr. Steve Cuthbert, Assistant Deputy Director, Eligibility Services Division, provided background information on the eREP computer system and its current status. He explained how the division will coordinate the eREP computer system within DWS.

**3. Solvency of Unemployment Insurance Trust Fund**

Ms. Cox noted that Utah is one of the few states that has been able to maintain solvency of its unemployment insurance trust fund.

Mr. Bill Starks, Director, Unemployment Insurance, distributed and gave an overview of the report, "Unemployment Benefits Paid Comparison." He discussed the benefits paid in 2008 and 2009, reviewed unemployment insurance trust fund projections through 2012, and gave projection rates for the reserve factor and social cost calculation on the trust funds.

#### **4. Manufacturing Incentive**

Representative Brent Wallis introduced the issue and discussed the intent for legislation on manufacturing incentives. He noted plans for working on a bill through the summer and asked for guidance from the Committee in preparing proposed legislation.

Mr. Ron Kusina, Executive Director, Weber Economic Development Corporation, discussed providing a tax credit to businesses in Utah that make a significant investment in land, buildings, and machinery in the state.

#### **5. Drug Testing of Welfare Recipients**

Senator Dennis E. Stowell introduced the issue for proposing drug testing of welfare recipients and asked for guidance from the Committee on potential legislation.

Mr. Geoffrey Landward, Legal Counsel, DWS, discussed the legal implications related to testing for illegal drug use by welfare recipients.

Mr. Starks distributed a memo, "Drug Testing UI Claimants," and explained that there is no federal law that would prohibit drug testing welfare recipients. He noted that an administrative grant from the federal government could be used to fund drug testing.

Ms. Helen Thatcher, explained the rules for Temporary Assistance for Needy Families (TANF) and noted that TANF does pay for drug testing but not for treatment.

Ms. Melissa Smith, Community Action Partnership of Utah, distributed and gave an overview of a handout, "Issue Brief Drug Testing of TANF Recipients."

#### **6. Business Resources Centers**

Mr. Gary Harter, Managing Director, Business Creation, Utah Governor's Office of Economic Development, distributed a handout "Utah Business Resource Centers (BRC)" and gave an overview of BRC in Utah. He noted that the BRCs are entities established by the Governor's Office of Economic Development in partnership with state public institutions of higher education. He explained their primary functions, composition, duties, and responsibilities.

#### **7. Other Items / Adjourn**

**MOTION:** Rep. Herrod moved to adjourn the meeting. The motion passed unanimously. Sen. Jones, Sen. Okerlund, and Rep. Sumsion were absent for the vote.

Chair Mascaro adjourned the meeting at 4:28 p.m.